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NEWSPAPER

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Snazzy mailings help boost traffic

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Nation's Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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Marriott, Prime acquiring Howard Johnson

Restaurants, hotels will be divided; Imperial retaining Ground Round

By Peter Romeo

WASHINGTON — Marriott Corp. and Prime Motor Inns Inc. have signed definitive agreements to acquire Howard Johnson Co. from Imperial Group PLC of London in a two-step process.

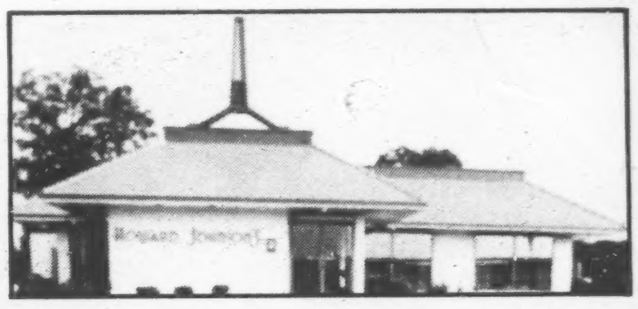
In the first phase, Marriott will pay Imperial $162 million and assume $138 million in debt in exchange for all Howard Johnson operations except the 210-unit Ground Round chain, which Imperial will retain.

Marriott will subsequently sell all 125 of Howard Johnson's lodging properties, the rights to the Howard Johnson name and the Howard Johnson franchise system, which consists of 375 lodges and 199 restaurants, to Prime for $97 million and the assumption of the $138 million debt.

The transaction will leave Marriott with 350 company-owned Howard Johnson restaurants, 68 turnpike restaurants, all of Howard Johnson's vending, manufacturing and distribution operations, one Plaza-Hotel and the management contracts to three other Plaza-Hotels. Marriott's net cost will be about $65 million.

Marriott has indicated that it will convert its orange-roof Howard Johnson restaurants

*(See **MARRIOTT**, Page 243)*



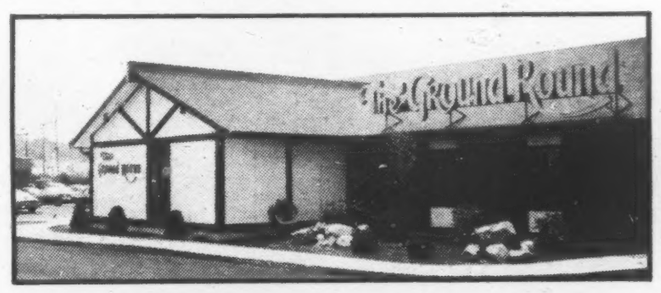
TWO-PHASE HOJO SALE

What Marriott Gets

350 company-operated restaurants
68 company-operated tollroad outlets
1 Plaza Hotel
3 Plaza management contracts

What Prime Gets

125 company-operated hotels (including other Plaza Hotels)
Howard Johnson franchise system: 375 hotels; 199 restaurants



How Deal Is Structured

Imperial sells total package to Marriott. Price: $162M plus $138M debt.
Marriott sells most hotels and some restaurants to Prime. Price: $97M plus $138M debt.
Imperial Group retains 210 Ground Round restaurants for possible future sale.

Source: Company reports

McD ups ad budget

Spending soars 40%

By Mark Schoifet

NEW YORK — Industry powerhouse McDonald's, outspending its three nearest rivals combined, increased its already formidable television-advertising budget by 40%, to $143.2 million, in the first half of 1985.

The move is seen as an attempt by McDonald's to press its superior marketing advantage in the face of increased competition from Burger King, Wendy's and other chains. By contrast, Burger King hiked its television budget by 5% and Wendy's raised its budget by 12% during the same period, according to the Television Bureau of Advertising.

"Of course we're concerned

*(See **McD**, Page 243)*

TOP SIX ADVERTISERS

(January 1985-June 1985)

Chain	Total Spent (In Millions)	Year-to-Year % Change
McDonald's	$143.27	+40
Burger King	64.07	+ 5
Wendy's	37.66	+12
KFC	34.21	+ 8
Pizza Hut	30.61	+12
Taco Bell	19.47	+61

Source: Television Bureau of Advertising

'More devastating' meal tax considered

By Ken Rankin

WASHINGTON — Congressional tax reformers are seriously considering scrapping President Reagan's business meal deduction limits in favor of an even more controversial plan allowing write-offs for only 75% of all business meal costs.

The impact of the proposed new meal tax proposal would be "even more devastating to the industry" than the President's current plan because it would spread the injury to far more food-service segments, said officials of the National Restaurant Association.

Under the White House bill, all business meal costs up to $25 per person (including taxes and tips) would remain fully deductible, while 50% of the cost above $25 would be taxed.

Although Reagan's approach would seriously chiefly affect big-city "expense account" restaurants, Treasury Department forecasters pre-

*(See **TAX**, Page 243)*

Molly Gonzales
Avoids retirement

Why Molly Gonzales kept La Casita open

By Marilyn Alva

MEMPHIS — Had it not been for an enthusiastic customer, Molly Gonzales, 74, would have closed her tiny Mexican restaurant in a low-rent district here and retired to Florida to live with her daughter.

But devoted fan Robert Chapman "panicked" when Molly broke the news to him three years ago. He convinced her to stay in Memphis, not at the no-frills La Casita restaurant on La Mar Avenue, but in a new 3,000-sq.-ft. building a friend had renovated in the Overton Square entertainment district.

Chapman, tired of his job as a traveling research analyst, set up La Casita Restaurants Inc. as a closely held private corporation, with himself as president, and divvied a large block of stock to Gonzales. "I told Molly I would run the business, and she would run the kitchen," Chapman said.

Thus newly named "Molly Gonzales' La Casita" opened on Dec. 21, 1982, with 85 seats, ranchero and Mariachi music blaring, woven Mexican blankets and Mexican beer signs on the walls and food that was exactly the same as Molly had been dishing out since 1974—Mexican fare her grandmother had prepared many years before.

"We wanted to create the atmosphere of a small Mexican family restaurant in south Texas, and that's exactly what we did," Chapman said.

"It was a crush from the very beginning," he added, saying they took in nearly $450,000 that first year, without a liquor license. The following year, with one, sales increased 20%, as it has each successive year.

*(See **ANGEL**, Page 11)*

USACafes offers $160M for Ponderosa

Analysts: Bid may be too low

By Don Jeffrey and Rick Telberg

DAYTON, Ohio — Ponderosa's board of directors is considering an unsolicited, $160 million, $16-a-share bid for the company by USACafes Inc., the parent of competing budget-steakhouse chain Bonanza.

But many securities analysts and other observers thought the bid was too low and is unlikely to be accepted by the board or by Ponderosa's shareholders.

If the present bid or a sweeter bid were accepted, however, the resulting company would operate and franchise about 1,160 restaurants with systemwide sales totaling nearly $1.1 billion. The merger would also eliminate some tough competition in a segment experiencing sluggish sales and profits.

Some analysts have speculated that Ponderosa's top management might attempt a leveraged buyout of the publicly traded company. Other sources said Ponderosa had approved an antitakeover measure—the issuance of up to 25 million shares of preferred stock. The company declined comment on these matters.

Ponderosa operates about 430 restaurants and franchises 204 others, with systemwide sales for the fiscal year ended last February of $694.7 million.

USACafes president Jeff Rogers said the two companies had held talks the week the bid was made, but he declined to disclose the substance of them. USACafes also declined to say whether the Ponderosa restaurants would become Bonanzas, if the deal went through.

The proposed merger is contingent on obtaining financing. Drexel, Burnham Lambert has been hired to raise money through the high-risk, high-yield securities known as "junk bonds."

But Ed Tavlin, securities analyst with Prescott Ball & Turben, said he thought the bid was too low to be accepted.

"A price of $16 appears to be a bargain for the operating assets of Ponderosa," Tavlin said. He estimated that USACafes would be acquiring each Ponderosa unit for only $233,000 about one-fourth the value.

Sources said Ponderosa's Mexican-style concept and subsidiary, Casa Lupita, was worth $40 million alone, or one-fourth what USACafes had bid for the whole company. Angelo Rizzo, a Ponderosa investor, put the total value of the company at $34 a share, more than twice the bid.

USACafes is clearly trying to boost its market share in the budget steakhouse segment. But both companies have had difficult quarters this year. USACafes' third quarter, ended June 30, saw a nearly 3% year-to-year net profit decline, to $662,000, while revenue dropped 6.6%, to $4.5 million.

Ponderosa's numbers have been weak this year. For the second quarter, ended Aug. 15, net profit fell 67%, to $1.5 million, compared with last year, while revenue decreased 8.7%, to $117.6 million. For six months, the net was down nearly 75%, to $2.3 million.

Under president Thomas Russo, who took over the leadership of the steakhouse division this year, Ponderosa has undertaken a major remodeling program and an aggressive marketing campaign.

BONANZA VS. PONDEROSA:

How They Compare

	Bonanza	Ponderosa
Data for Year Ended	Sept. 1984	Feb. 1985
Number of Units	551	656
Systemwide Sales	$387.5 million	$694.7 million
Sales per Unit	$780,000	$1,007,000
Parent Company	USA Cafes Inc.	Ponderosa Inc.
Headquarters	Dallas, Tex.	Dayton, Ohio
Revenue	$17.3 million (up 38%)	$513.3 million (up 20%)
Net Income	$2.2 million (up 57%)	$8.4 million (down 31%)

Source: Company Reports, *NRN* Research

Beef prices expected to rise with demand

NRN Special Report

Consumer demand for beef is finally beginning to build after months of depressed beef sales through retail stores. Observers see price increases ahead as a result of the normal upswing of red-meat demand in the fall and winter, thinning out of the heavy supply of fed beef that hung over the market all summer, and a future shortage of feeder cattle.

Commodities

In a recent survey of the nation's cattle supply, the U.S. Department of Agriculture indicated that feedlot operators have disposed of most of the overweight cattle they were holding since early in spring. Convinced that prices were not going to rise until the surplus dissipated, operators have been funneling their surplus inventory into the supply stream at current low prices.

At the same time, cattle producers have shown little interest in rebuilding herds at those depressed prices. They have sold off many of the potential breeding cows and heifers. That means the supply may be limited for many months.

On the other hand, consumer resistance to high beef prices has increased, with seafood and poultry taking a good part of red meat's place in U.S. diets.

PRICE MOVEMENT AT A GLANCE

	Sept. 23, 1984	Aug. 23, 1985	Sept. 23 1985
Beans, lima, large dry, Calif. (lb.)	$0.50	$0.36	$0.34
Beef, Choice, 700-900 lb. Midwest (lb.)	$0.93	$0.79	$0.82
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5297	$0.5540	$0.4950
Corn, whole kernel, Fancy Midwest (6/10)	$9.75-10.25	$9.00	$8.75
Eggs, Grade A, large white, Chicago (doz.)	$0.68	$0.69-0.72	$0.69-0.72
Hams, 11-lb. oblong, canned Polish, NYC (lb.)	$1.79-1.81	$1.59-1.60	$1.67-1.68
Lettuce, iceberg, No. 1 Calif. (24s)	$8.00-9.00	$5.00-5.50	$4.00-5.00
Pork loins, No. 1, 14-17 lb. Midwest (lb.)	$0.92	$0.89	$0.875

Source: *NRN* Research

Jack in the Box purchased for $450 million

(Continued from page 2)

ty. Monterey Jack's is a year-old test conversion concept, which Goodall earlier said could be expanded throughout the Jack in the Box chain starting in October at a cost of some $3 million plus marketing expenses.

In addition, Goodall said Foodmaker would accelerate its franchising, which currently accounts for only about 10% of its outlets. He suggested that the renamed Monterey Jack's system would add between 400 and 500 new units over the next five years, with about half franchised. When combined with proposed franchising of existing company outlets, such expansion would make for a two-thirds-franchised chain in five years.

Foodmaker operating profit through the third quarter ended June 30 decreased from year to year by an unspecified amount, "principally" because of "softness of the economy in our primary markets and an increase in competitive pressure," Ralston said in its quarterly report.

In its last full fiscal year, Foodmaker posted operating profit of $61.4 million, up 5%, on sales of $628 million, down 6%.

Foodmaker operating profit and sales last year were each about 12% of Ralston Purina's total in both categories. But Ralston said it wanted to focus on food processing instead of food service. Foodmaker consumed 33% of Ralston's capital spending budget last year yet ranked only third in operating margin performance among the company's four major lines of business, which include pet and livestock foods and grocery products.

Although at presstime Foodmaker had not confirmed the names of its senior executives participating in the leveraged buyout, it was presumed that they were the same individuals previously named by Goodall when the Forstmann Little deal was pending in May.

In addition to Goodall, a 22-year Foodmaker veteran and former Jack in the Box unit manager who has been president since 1970 and chief executive since 1979, the executives included Robert J. Nugent, executive operations vice president; Stephen ("Duffy") Oyster, executive vice president for franchising and corporate development; Barry Klein, executive marketing vice president; Charles Duddles, senior finance and administration vice president; William Rulon, senior vice president, secretary and treasurer; James T. Matthews, operations vice president and regional manager; Kenneth R. Williams, operations vice president and regional manager; Robert L. Suttie, vice president and controller; and Mohammad Iqbal, operations vice president for management and training.

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National Prepared Frozen Foods regional insert appears on pages 29-30.

Vol. 19, No. 41 October 7, 1985

McD ad spending soars 40%

(Continued from page 1)

about it," said Tom Kettinger, director of advertising for Burger King. "Our job is to put together the most effective programs we can with our resources. We don't have a plan to match McDonald's nationally."

Kettinger called McDonald's television clout "a fact of life" that has not changed over the years. "They just advertise as much as possible," he said.

Wendy's plans to increase its $115 million advertising budget in 1986 as part of its new "Choose Fresh" campaign but "not in direct response to McDonald's latest expenditures," said Linda Packer, the chain's manager of marketing public relations. In 1984 Wendy's hiked television spending by 48% as part of its extremely effective "Where's the Beef?" offensive.

McDonald's, which declined comment on the latest figures from the Television Bureau of Advertising, spent $143.2 million in the first six months of the year, compared with $102.4 million in the prior-year period. Network buys increased from $60 million to $88.4 million, placing McDonald's fifth on the list of leading U.S. advertisers during that period, behind Procter & Gamble, General Foods, American Home Products (Advil) and General Motors.

The heavy network buying during the period reflects McDonald's continuing shift toward national television advertising and away from local media. In 1984 McDonald's more than doubled its network advertising, to $162.5 million, while spot television spending actually dropped to $91.5 million from $105 million.

During its six-month advertising blitz, McDonald's posted a 9% and 6% gain in quarterly average-unit sales, while its two major chain competitors, Burger King and Wendy's, each suffered about a 4% drop in customer counts, according to company reports and estimates by analysts.

"This performance is especially impressive when one realizes that the company shows these percentage increases off a higher average-unit volume than its competition," said analyst L. Keith Mullins of Dean Witter.

McDonald's had average unit sales of $1.25 million last year, with Burger King at $950,000 and Wendy's at $870,000.

Several major summer campaigns, including McDonald's Value pack commecials and a good portion of Burger King's spots for its new Whopper, took place from July forward and are not reflected in those figures.

New meal tax battleground

(Continued from page 1)

dicted that 85% of the business meals served throughout the country would remain fully tax deductible.

The new alternative, advanced by House Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.) late last month, would impact *all* business meals—from a $3.98 "blue plate special" at a neighborhood diner to a 40¢ cup of coffee at a fast-food outlet.

Although meals costing less than $25 would be most severely affected by Rostenkowski's alternative, business patronage of most restaurateurs serving higher-priced business meals would also suffer more under the new plan than under President Reagan's proposal.

For example, $40 business lunch at a swank New York City establishment would yield a tax deduction of $32.50 under the administration's plan. The alternative tax plan under consideration now in the House would allow a deduction of only $30 for that same meal.

Ironically, however, spending for business meals at the nation's highest-priced restaurants—those with check averages above $50—would be affected less under Rostenkowski's proposal than under the President's plan.

Even so, officials at NRA characterized the new 75% deductibility alternative as a step backward.

Although the association had not yet developed new impact estimates for Rostenkowski's scheme, NRA senior director Jeffery Prince said the new plan would be "even worse for food service" than the controversial White House "cap" would be.

The new meal deduction restrictions surfaced as part of a comprehensive series or alternatives to the President's bill developed by Rostenkowski's Joint Congressional Committee on Taxation.

Joe Lee maps '86 course

(Continued from page 3)

that has operating dynamics comparable to Red Lobster," Lee said. "We believe this concept could well become a significant growth vehicle. Italian is the most popular ethnic food. And, there is no national competitor in the Italian dinnerhouse segment."

General Mills' other restaurant chain, the four-unit Leeann Chin's, acquired earlier this year, has been placed in its consumer foods division. The placement indicates the parent company may be primarily interested in the chain's supermarket-sales potential.

While three of the four Chin's units are buffet restaurants, the fourth is a take-out deli in Dayton's department store that serves about 1,000 customers daily. Some of the take-out items are frozen, to be thawed and reheated at home. A second take-out deli is scheduled to open this fall in a Minneapolis suburb.

The consumer foods group generates 65% of the company's total sales, and the specialty retailing group 10%. In fiscal 1985, the company spun off major segments of its toy and fashion groups and sold most of its Casa Gallardos and Darryl's, and is negotiating the sale of The Good Earth restaurant chain.

'Networking' at restaurants

(Continued from page 3)

7th Avenue between 40th and 41st streets.

Becker has yet to approach upscale restaurants, but he plans to soon call on fine-dining establishments such as the Plaza hotel and the Russian Tea Room. "Right now we're only targeting midpriced lunch places because that's what our typical client wants," Becker said.

Becker's clients range from actors, bankers and entry-level employees to junior executives and the presidents of a direct marketing recruiting firm and public relations/advertising agency. Salesmen use the service to generate leads, while recruitment company representatives meet with placement candidates.

"Most of our clients are willing to spend up to $20 at lunch and walk 6 to 10 blocks," said Becker. "A lot of upper-level executive will jump in a cab, travel 25 blocks and spend $25 or more to meet the right professional contact."

Lunch Impressions members are matched according to their professional responsibilities, cuisine and ambience preferences and lunch budgets. To recognize one another, male clients wear a carnation in their lapels and women carry a silk rose; no last names or telephone numbers of lunch partners are revealed by the company. "Such information is completely confidential," said Becker. "We tell them exactly where to meet."

Becker is careful to bill Lunch Impressions as professional networking not as a dating service, a phrase he believes has pejorative overtones. Following each Lunch Impression, participants fill out feedback questionnaires concerning their experience—good or bad.

"We have men meeting men, women meeting women, single people meeting married people, even 'brown baggers' meeting at hotdog stands," said Becker.

Marriott, Prime buy Hojo

(Continued from page 1)

to Big Boy coffee shops in areas where the latter chain has little representation. The Big Boy system has a minimal presence in the Northeast, where the Howard Johnson restaurant chain has its highest concentration.

The 68 Howard Johnson turnpike restaurants are expected to be converted into either Roy Rogers or Big Boy outlets.

"We believe Howard Johnson's restaurant management and employees can make a substantial contribution to our family and turnpike restaurant businesses nationwide," said J. W. Marriott Jr., president and chief executive officer of Marriott.

Prime said it would retain the Howard Johnson name for the 125 company-owned Howard Johnson hotels, 375 franchised properties and 199 franchised restaurants included in the deal with Marriott, and will launch an aggressive expansion of the Howard Johnson lodging system. Most of the 199 franchised restaurants are located next to Howard Johnson lodges.

Prime, which already operates two franchised Howard Johnson hotels, also indicated that it would retain Howard Johnson's headquarters and hotel management staff in North Quincy, Mass.

But Fairfield, N.J.-based Prime has suggested that the Howard Johnson staff may be cut back as it is merged into Prime's management structure, which already owns and/or operates 63 hotels.

The addition of the Howard Johnson lodging properties would expand Prime's lodging fold to 563 properties and immediately make it one of the biggest hotel companies in the U.S.

Many analysts expect Prime to sell its 125 company-owned Howard Johnson hotels and retain management contracts to the properties to retire the $138 million debt it assumed in the deal with Marriott.

"It's a hell of a deal for both Marriott and Prime," analyst John Rohs of Wertheim & Co. said of the agreements with Imperial. The pending sales, which have yet to be approved by Imperial's board of directors, are expected to be completed by Jan. 1.

"By the time they [Marriott and Prime] get through splitting up the assets, the investment they made will be a relatively small one," Rohs continued. "They'll realize a very attractive return on the small investment they made. The acquisitions should generate additional earnings for both Marriott and Prime in 1986."

Michael Mueller, an analyst with Montgomery Securities, has estimated that Prime will pay less than $20,000 a room for the Howard Johnson hotels it acquires, or roughly half what has been paid for hotel properties in recent acquisitions.

Marriott will pay $65 million for 428 restaurants, or the equivalent of about $156,000 per outlet. The per-store sales average for the restaurants is about $752,000, according to *Nation's Restaurant News* research.

The addition of the Howard Johnson outlets will raise the number of Marriott's company-owned or franchised restaurants by about 30%, to 1,844 stores.

Imperial said it was prepared to include the Ground Round chain in the sale to Marriott, but found no interest on the latter's part.

"Marriott's interest in Ground Round was strictly in a broker sense," said Rohs. "Marriott would have taken it to facilitate the acquisition of the whole thing."

Other observers on Wall Street said that at least six U.S. food-service companies expressed interest in acquiring the Ground Round chain following the disclosure of Marriott's deal with Imperial.

A sale of the Ground Round chain would help Imperial recoup more of the $630 million it paid for Howard Johnson in 1980. The sale to Howard Johnson will generate only $162 million, plus the transferral of $138 million in debt.

Marriott, which said earlier this year that it was no longer interested in acquiring Howard Johnson, only to return to the bidding about two months ago, offered $400 million for the company in its original joint takeover attempt with Prime, according to sources close to the negotiations.

Some observers contend that Imperial was pressured to complete the deal with Marriott because of the rising strength of the British pound against the U.S. dollar. Four days before the Marriott deal was announced, an Imperial spokesman said that retention of Howard Johnson was still being considered.

North Beach bans fast food

(Continued from page 2)

restaurants would be an improvement over the many topless bars, strip clubs and adult bookstores in the area.

The majority of the board that voted to exempt Thompson indicated it did so because he had, for all practical purposes, completed the planning process when talk of the ban arose.

Robert Larive, president of Calny, a Taco Bell franchisee, said the ban did not change his company's plans to try to open in North Beach. Planning commissioners earlier rejected Calny's bid to open a North Beach unit, indicating the fast Mexican restaurant would not fit in.

The Calny official said he would be willing to discuss making changes in building design and service, including the replacement of paper and plastic containers with dishes, if it would win approval for the unit. He added that any changes would first have to be O.K.'d by Taco Bell.

FINANCIAL NEWS

NRN Stock Index down 0.9, fifth week of declines

NEW YORK — Despite an upswing in broader gauges of market activity, the *Nation's Restaurant News* Food-Service Operators Stock Index fell for the fifth consecutive week, closing Sept. 27 at 120.6, a 0.9-point decline.

In a trading week limited to four days because of Hurricane Gloria on Friday, Sept. 27, the Dow Jones Industrial Average rose 22.85 points to close at 1,320.79. Speculation on a takeover of General Foods drove its stock price up, accounting for much of the Dow's gain.

Issues declining in price on *NRN*'s 114-stock listing of food service and related companies overwhelmed those advancing, 61 to 27. Twenty-six were unchanged in price. Thirty stocks traded at higher volumes than their previous 12-week trading averages, while 82 traded lower and two were unchanged.

Ponderosa led both the percentage price gainers and the volume surgers in the week, after USACafes, operator of competing budget steakhouse chain Bonanza, made an unsolicited $16 a share bid for the company. Ponderosa's price went up $3.25 to $14, a 30.2% increase, on volume of 1.19 million shares, 437.8% higher than the average.

USACafes had the second-biggest relative price rise: up 50¢ to $5.50, a 10% increase.

Restaurant Systems was the second-biggest volume surger, as 197,200 shares changed hands, a 378.1% increase over average. Its price fell 13¢ to $16.88. The company, a 36-unit Wendy's franchisee, was set to be acquired by Wendy's International.

No restaurant stocks finished the week at a yearly price high, but many issues closed at 52-week lows, including: Saga Corp., down 50¢ to $23.63; Horn & Hardart, down 38¢ to $7.38; Rax Restaurants, down 75¢ to $6; Taco Villa, down 75¢ to $4.50; Taco Viva, down 38¢ to $4.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Ponderosa Sys	N	437.8	Ritzys G D	M	105.3
Rest Systems	M	378.1	Skippers	M	102.6
SIS Cp	M	223.3	Pillsbury Co	N	86.3
Acapulco Rests	M	163.9	Prime Mtr Inn	N	86.0
Gen Mills	N	122.3	Hamburg Hamlet	O	80.4

TOP TEN GAINERS

(Weekly Price Change, in %)

Ponderosa Sys	N	30.2	El Pollo Asa	O	5.6
USACafes	M	10.0	Gen Mills	N	5.0
Prime Mtr Inn	N	8.0	Wendys Intl	N	4.2
Intl King Tab	M	7.8	Rest Mgmt	M	4.0
A&M Food Svcs	M	7.3	Cucos Inc	O	3.7

TOP TEN LOSERS

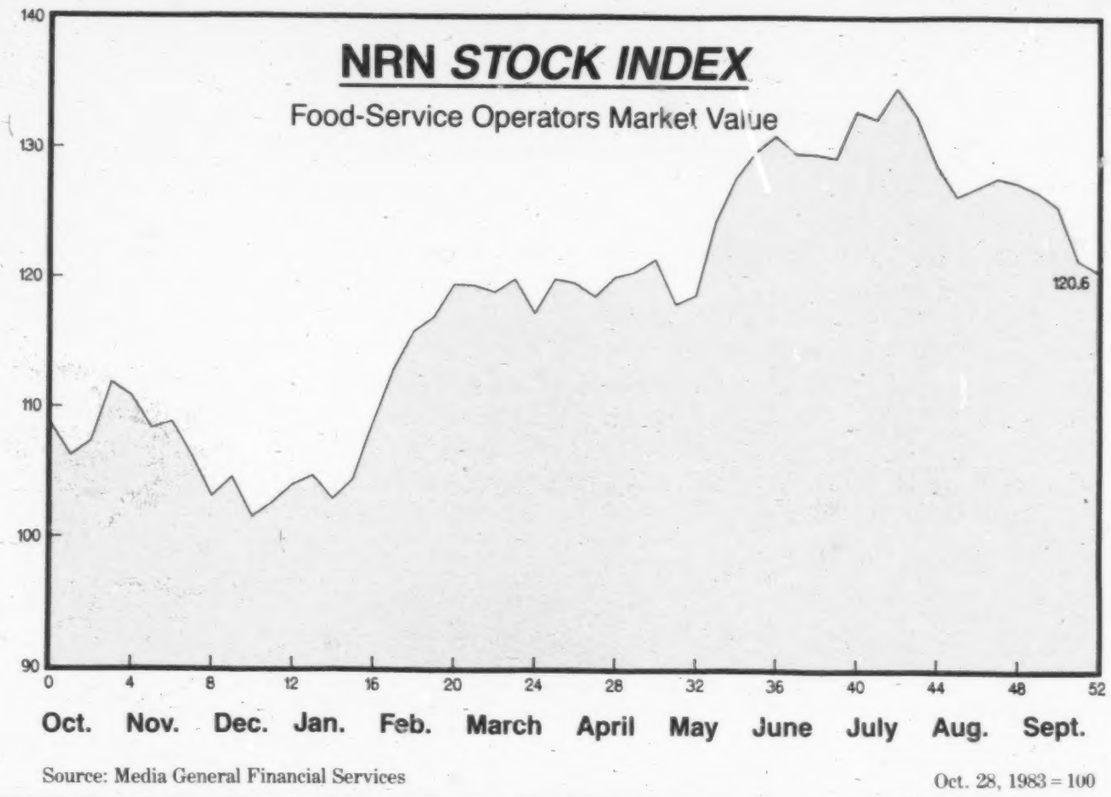
(Weekly Price Change, in %)

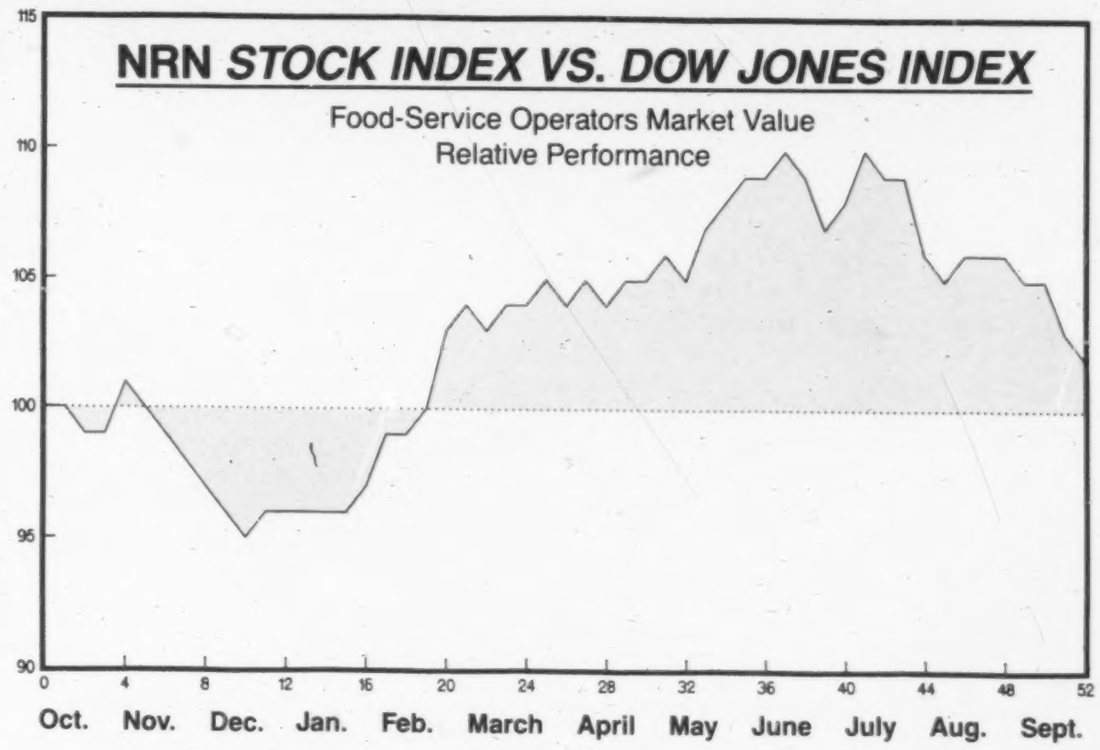
Stuff Yer Face	O	- 47.4	Victoria Stations	M	- 15.8
Peo Restaurants	M	- 25.0	Taco Villa	O	- 14.3
Chefs Intl	O	- 22.2	DLites Of Amer	M	- 13.1
1 Potato 2	O	- 20.0	Naugles Inc	M	- 13.0
Fast Food Oper	O	- 20.0	Old Fashion Fd	M	- 12.8

Stock Market — Price: 9-27-85 Close; Weekly Change: Amt., Pct.; Weekly Range: High, Low; 52-Week Range: High, Low. Volume: Weekly Shares Traded: Total, % Out; 12-Week Avg. Vol. As % Out; Volume Trend Change.

Financial Update — P/E Ratio; Indicated Divd. Rate: Amt., Yld.; Latest Report: New Report, Period, Date Ended; Latest Quarter: Revenue (Amt., Chg.), Net Income (Amt., Chg.), E.P.S. (Amt., Chg.); Year-to-Date: Revenue (Amt., Chg.), Net Income (Amt., Chg.), E.P.S. (Amt., Chg.)

Company and Market	9-27-85 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Weekly Shares Traded Total	Weekly Shares Traded % Out	12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report New Report	Latest Report Period	Latest Report Date Ended	Latest Quarter Revenue Amt.	Latest Quarter Revenue Chg.	Latest Quarter Net Income Amt.	Latest Quarter Net Income Chg.	Latest Quarter E.P.S. Amt.	Latest Quarter E.P.S. Chg.	Year-to-Date Revenue Amt.	Year-to-Date Revenue Chg.	Year-to-Date Net Income Amt.	Year-to-Date Net Income Chg.	Year-to-Date E.P.S. Amt.	Year-to-Date E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	7.38	.50	7.3	7.38	6.88	7.63	3.50	222	.62	.77	- 19.5	21.1	.00	.0	—	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests M	4.38	- .38	- 7.9	4.75	4.38	5.38	3.50	236	.95	.36	163.9	19.0	.00	.0		9 mos.	07-85	11.3	- 40.5	.3	NC	.11	1000.0	31.2	10.2	.3	.0	.12	- 14.3
Am Restaurants O	3.38	.00	.0	3.75	3.38	4.75	2.38	37	.16	.33	- 51.5	48.2	.00	.0		6 mos.	07-85	5.7	26.7	.1	.0	.05	66.7	10.4	15.6	.1	- 50.0	.04	- 60.0
Assoc Hosts M	11.00	- 1.00	- 8.3	11.63	10.75	17.13	10.75	1,041	2.35	3.73	- 37.0	17.5	.12	1.1		9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl M	14.38	- 1.00	- 6.5	14.88	13.00	21.75	12.38	1,301	4.37	3.83	14.1	12.1	.00	.0	—	3 mos.	06-85	28.1	100.7	1.1	57.1	.36	50.0	28.1	100.7	1.1	57.1	.36	50.0
Bob Evans Farms M	19.50	- .25	- 1.3	19.75	19.25	22.75	15.69	410	.23	.91	- 74.7	18.8	.27	1.4	—	3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp M	1.38	- .13	- 8.3	1.63	1.38	4.88	.63	66	.22	.32	- 31.3	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	12.25	.38	3.2	12.25	11.88	15.13	8.13	1,290	2.85	4.86	- 41.4	17.0	.16	1.3		6 mos.	08-85	16.6	27.7	.7	40.0	.16	33.3	30.2	20.8	1.6	14.3	.35	12.9
Capt Crab M	1.31	- .06	- 4.5	1.44	1.31	2.63	1.25	375	.24	.74	- 67.6	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	6.63	.00	.0	6.88	6.50	11.50	6.50	322	.41	.61	- 32.8	9.3	.07	1.1	—	fiscal	05-85	36.8	17.9	.7	- 41.7	.09	- 25.0	145.1	19.2	5.5	19.6	.71	4.4
Chefs Intl O	.44	- .13	- 22.2	0.69	0.44	1.06	.38	626	.32	.54	- 40.7	NE	.00	.0	—	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's M	10.13	.00	.0	10.38	10.00	15.13	9.38	4,540	1.68	3.45	- 51.3	18.1	.00	.0	—	3 mos.	07-85	66.6	42.9	4.5	- 10.0	.17	- 10.5	66.6	42.9	4.5	- 10.0	.17	- 10.5
Chili's Inc M	24.88	.00	.0	25.13	24.63	28.88	19.00	1,198	2.58	4.10	- 37.1	28.3	.00	.0	—	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch N	14.75	- .38	- 2.5	15.25	14.63	20.25	13.31	6,148	1.63	3.31	- 50.8	12.6	.44	3.0	—	6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods N	13.88	- .63	- 4.3	14.63	13.75	16.69	9.09	1,331	.67	.92	- 27.2	15.9	.12	.9	—	3 mos.	07-85	136.4	18.6	5.6	16.7	.19	- 20.8	136.4	18.6	5.6	16.7	.19	- 20.8
Concept Dev M	8.00	- 1.00	- 11.1	9.00	7.50	16.75	5.75	325	.63	2.49	- 74.7	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts M	3.25	.00	.0	3.25	3.13	5.38	3.13	64	.20	.46	- 56.5	14.8	.08	2.5	—	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant M	2.75	- .13	- 4.3	2.88	2.75	7.88	2.75	1,083	2.38	1.74	36.8	NE	.00	.0		3 mos.	08-85	21.9	3.8	.1	NC	.02	100.0	21.9	3.8	.1	NC	.02	100.0
Cracker Barrel M	11.13	- .88	- 7.3	12.00	11.13	17.75	10.25	39	.11	1.76	- 93.8	15.7	.14	1.3	—	fiscal	07-85	20.7	19.7	1.5	15.4	.45	- 2.2	67.5	18.6	2.4	- 11.1	.71	- 27.6
Cucos Inc O	7.00	.25	3.7	7.75	6.75	7.00	2.75	81	.47	.78	- 39.7	43.8	.00	.0		fiscal	06-85	1.8	100.0	.1	NC	.05	66.7	6.6	106.3	.3	50.0	.16	23.1
DLites Of Amer M	6.63	- 1.00	- 13.1	7.63	6.50	15.50	6.63	1,462	2.87	3.30	- 13.0	39.0	.00	.0	—	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts M	22.00	- 1.38	- 5.9	23.50	22.00	25.38	14.84	882	1.23	1.58	- 22.2	15.7	.24	1.1	—	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico M	9.50	.13	1.3	9.50	9.38	12.50	7.25	774	1.66	1.88	- 11.7	10.9	.00	.0	—	3 mos.	08-85	21.9	3.8	1.0	11.1	.22	10.0	21.9	3.8	1.0	11.1	.22	10.0
El Pollo Asa O	4.75	.25	5.6	5.00	4.63	6.34	1.84	293	1.74	3.50	- 50.3	NE	.00	.0	—	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest N	13.13	- .88	- 6.3	14.00	13.00	19.25	10.63	1,059	.96	1.03	- 6.8	12.2	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest M	1.88	- .13	- 6.3	2.00	1.75	3.88	1.63	643	1.07	1.14	- 6.1	NE	.00	.0	—	6 mos.	06-85	12.3	- 2.4	(.1)	- 100.0	(.02)	- 100.0	28.6	- 3.7	.3	NC	.05	NC
Fast Food Oper O	.50	- .13	- 20.0	0.75	0.50	1.31	.50	44	.07	.47	- 85.1	25.0	.00	.0	—	6 mos.	06-85	1.9	- 9.5	.1	.0	.01	- 50.0	3.7	- 2.6	.1	.0	.01	- 50.0
Flakey Jakes M	3.00	- .25	- 7.7	3.25	2.88	8.25	2.38	1,782	2.56	3.35	- 23.6	NE	.00	.0	—	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest O	1.50	.00	.0	2.50	1.50	7.38	1.50	0	.00	.19	-100.0	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Frisch's A	22.13	.38	1.7	22.13	21.13	26.00	14.50	85	.19	.16	18.8	19.2	.22	1.0	—	fiscal	05-85	30.5	- 5.9	1.7	- 10.5	.39	- 7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc M	6.63	- .13	- 1.9	6.88	6.63	14.50	6.00	1,462	2.16	2.97	- 27.3	39.0	.00	.0	—	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco O	.31	.00	.0	0.44	0.31	3.00	.25	58	.20	.71	- 71.8	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hamburg Hamlet O	14.75	.00	.0	15.50	14.50	15.25	10.50	60	.83	.46	80.4	7.6	.00	.0	—	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger M	5.75	- .13	- 2.1	5.88	5.63	6.25	3.63	275	.95	2.21	- 57.0	NE	.00	.0	—	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.23)	- 100.0
Intl Dairy Queen O	63.50	- .50	- .8	67.50	63.50	65.00	39.50	6	.03	.13	- 76.9	15.6	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab M	17.25	1.25	7.8	17.75	16.00	24.75	14.88	716	2.49	2.01	23.9	11.3	.00a	.0	—	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB Restaurant M	11.50	- .13	- 1.1	11.88	11.50	15.50	9.09	380	.82	3.02	- 72.8	15.1	.16	1.4	—	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc M	21.13	- .50	- 2.3	22.00	20.75	23.25	14.25	6,839	4.33	4.61	- 6.1	15.0	.12	.6	—	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp A	3.50	- .25	- 6.7	3.75	3.50	4.38	1.13	104	.43	1.08	- 60.2	2.1	.00	.0		9 mos.	06-85	3.8	- 40.6	1.1	NE	.40	NE	14.6	- 15.6	4.9	NE	2.01	NE
Karcher Carl M	16.13	- .13	- .8	16.25	15.88	23.75	13.50	469	.66	1.29	- 48.8	14.5	.00	.0	—	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Lifestyle Rest A	1.75	.00	.0	1.88	1.63	3.13	1.50	171	.30	.36	- 16.7	NE	.00	.0	—	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	33.38	- .38	- 1.1	34.50	33.25	37.38	26.38	425	.35	.36	- 2.8	21.5	.60	1.8	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	17.50	.00	.0	17.75	17.38	19.38	13.88	33	.06	.28	- 78.6	10.5	.30	1.7		3 mos.	08-85	36.1	7.8	3.2	14.3	.62	12.7	36.1	7.8	3.2	14.3	.62	12.7
Marriott Corp N	89.25	- .25	- .3	91.88	88.13	100.00	70.00	990	.38	.56	- 32.1	15.7	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	1.50	- .13	- 7.7	2.00	1.50	6.00	1.50	41	.08	.21	- 61.9	NE	.00	.0	—	6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's O	2.25	- .13	- 5.3	3.00	2.25	4.75	2.25	36	.20	.12	66.7	NE	.00	.0		9 mos.	07-85	4.0	- 9.1	(.2)	NE	(.12)	NE	12.6	- 4.5	(.1)	NE	(.07)	NE
McDonald's Cp N	64.38	1.25	2.0	64.38	62.25	70.00	48.88	8,752	1.02	1.05	- 2.9	13.9	.90	1.4	—	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	10.00	- .13	- 1.2	10.50	10.00	11.88	9.75	179	.37	.67	- 44.8	12.3	.00	.0	—	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc M	18.75	.25	1.4	19.00	18.63	21.88	15.50	654	.63	1.20	- 47.5	14.5	.48	2.6		fiscal	05-85	120.5	- 5.9	3.2	- 48.4	.24	- 46.7	478.8	3.1	17.6	- 14.1	1.29	- 12.2
Mr Steak O	1.25	.00	.0	1.50	1.00	3.13	1.00	327	.68	.68	.0	NE	.00	.0	—	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express O	.38	.00	.0	0.69	0.38	2.38	.38	117	.52	.83	- 37.3	NE	.00	.0	—	6 mos.	07-85	.4	100.0	(.6)	NE	(.26)	NE	.7	75.0	(.9)	NE	(.39)	NE
Nathans M	3.63	- .38	- 9.4	4.00	3.63	4.50	2.00	79	.35	.84	- 58.3	10.4	.05	1.4		3 mos.	06-85	6.6	8.2	.5	25.0	.21	16.7	6.6	8.2	.5	25.0	.21	16.7
Natl Pizza M	11.50	- .50	- 4.2	12.00	11.50	12.88	7.50	23	.04	.68	- 94.1	15.5	.00	.0	—	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	2.50	- .38	- 13.0	3.06	2.38	9.25	2.25	1,396	3.15	3.51	- 10.3	NE	.00	.0	—	fiscal	06-85	30.8	13.2	(7.5)	- 100.0	(1.68)	- 100.0	124.1	8.1	(9.2)	NE	(2.06)	NE
Noble Roman O	7.00	.00	.0	7.75	7.00	8.50	6.13	20	.17	.31	- 45.2	58.3	.00	.0	—	6 mos.	06-85	5.5	25.0	(.1)	- 100.0	(.02)	- 100.0	10.2	14.6	(.2)	- 100.0	(.13)	- 100.0
1 Potato 2 O	.50	- .13	- 20.0	0.75	0.50	5.00	.50	127	.58	.48	20.8	NE	.00	.0	—	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	4.25	- .63	- 12.8	5.25	4.25	5.25	4.00	90	.64	1.04	- 38.5	6.7	.00	.0	—	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet M	7.38	.00	.0	7.50	7.13	8.38	6.00	1,393	3.75	2.47	51.8	13.2	.13	1.8	—	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	.09	- .03	- 25.0	0.16	0.09	1.50	.09	199	.23	.85	- 72.9	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	22.50	- .25	- 1.1	23.13	22.50	24.13	16.50	84	.14	.92	- 84.8	14.2	.60	2.7	—	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn A	7.75	.13	1.6	7.75	7.13	10.25	6.88	163	.54	.68	- 20.6	NM	.08	1.0	—	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0
Po-Folks M	11.63	- .50	- 4.1	12.13	11.63	14.75	8.75	79	.18	1.03	- 82.5	15.1	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	14.00	3.25	30.2	14.50	10.88	19.38	10.50	11,906	12.37	2.30	437.8	NM	.40	2.9	—	6 mos.	08-85	117.7	- 6.1	1.5	- 68.1	.16	- 68.6	234.9	- 3.7	2.3	- 75.0	.24	- 77.4




NRN STOCK INDEX VS. DOW JONES INDEX
Food-Service Operators Market Value
Relative Performance
115
110
105
100
95
90
0 4 8 12 16 20 24 28 32 36 40 44 48 52
Oct. Nov. Dec. Jan. Feb. March April May June July Aug. Sept.

Company and Market		9-27-85 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Weekly Shares Traded Total	Weekly Shares Traded % Out	12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report New Report	Latest Report Period	Latest Report Date Ended	Latest Quarter Revenue Amt.	Latest Quarter Revenue Chg.	Latest Quarter Net Income Amt.	Latest Quarter Net Income Chg.	Latest Quarter E.P.S. Amt.	Latest Quarter E.P.S. Chg.	Year-to-Date Revenue Amt.	Year-to-Date Revenue Chg.	Year-to-Date Net Income Amt.	Year-to-Date Net Income Chg.	Year-to-Date E.P.S. Amt.	Year-to-Date E.P.S. Chg.
-		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Primo Inc	O	1.75	- .13	- 6.7	2.13	1.75	4.63	1.50	132	.39	.60	- 35.0	NM	.00	.0	.....	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants	M	6.00	- .75	- 11.1	6.75	6.00	15.25	6.00	266	.39	.73	- 46.6	NC	.00	.0	.....	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc	A	5.00	.00	.0	5.00	4.63	6.59	3.84	166	.42	.84	- 50.0	15.2	.10	2.0	.....	6 mos.	06-85	35.8	9.1	.6	.0	.18	20.0	69.0	9.9	.3	- 50.0	.09	- 40.0
Rest Mgmt	M	13.00	.50	4.0	13.00	12.50	15.00	6.75	78	.37	1.56	- 76.3	18.6	.09	.7	.....	9 mos.	07-85	8.5	28.8	.5	25.0	.15	- 11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems	M	16.88	- .13	- .7	16.88	16.50	17.00	11.75	1,972	8.51	1.78	378.1	18.3	.00	.0	.....	6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D	M	2.00	.00	.0	2.25	1.94	4.50	1.75	811	1.56	.76	105.3	NE	.00	.0	.....	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican	M	14.50	.00	.0	15.00	14.50	18.25	11.00	142	.50	1.29	- 61.2	16.9	.00	.0	.....	fiscal	07-85	19.2	1.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam	M	15.50	- .25	- 1.6	16.25	15.25	19.25	11.34	1,856	2.67	1.67	59.9	25.4	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp	N	23.63	- .50	- 2.1	24.50	23.63	35.00	23.63	1,212	.93	1.47	- 36.7	10.8	.52	2.2	.....	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef	M	7.63	.00	.0	8.13	7.63	8.88	6.88	19	.15	.35	- 57.1	13.4	.00	.0	.....	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley	M	4.63	.13	2.8	4.63	4.13	9.50	4.13	1,747	5.50	4.11	33.8	2.5	.00	.0	.....	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc	M	26.13	.13	.5	26.75	25.38	31.88	21.94	2,643	.93	1.53	- 39.2	20.9	.15	.6	.....	9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South	M	11.63	.00	.0	11.88	11.50	16.25	10.00	540	.96	1.66	- 42.2	10.8	.00	.0	.....	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp	M	5.00	.13	2.6	5.50	4.75	6.00	3.25	300	1.94	.60	223.3	NE	.00	.0	.....	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl	M	14.75	- .25	- 1.7	15.25	14.50	17.75	9.16	1,110	1.09	.83	31.3	14.5	.00	.0	.....	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers	M	10.25	- .75	- 6.8	11.00	9.88	12.50	8.75	1,262	4.62	2.28	102.6	11.1	.08	.8	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality	M	4.63	.00	.0	4.63	4.38	5.88	4.00	468	.94	2.06	- 54.4	11.0	.00	.0		3 mos.	08-85	12.2	14.0	.7	75.0	.15	87.5	12.2	14.0	.7	75.0	.15	87.5
Stuff Yer Face	O	.31	- .28	- 47.4	0.56	0.31	1.44	.31	826	.54	.41	31.7	NE	.00	.0	.....	3 mos.	06-85	.8	60.0	(.1)	NE	(.01)	NE	.8	60.0	(.1)	NE	(.01)	NE
Swensens Inc	O	1.63	.00	.0	2.13	1.63	3.13	1.50	89	.17	.19	- 10.5	NE	.00	.0	.....	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa	O	4.50	- .75	- 14.3	5.25	4.50	7.75	4.50	37	.04	.12	- 66.7	23.7	.00	.0	.....	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	04	- 73.3
Taco Viva	M	4.00	- .38	- 8.6	4.38	4.00	7.50	4.00	127	.37	.98	- 62.2	11.8	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's	N	8.63	.13	1.5	8.88	8.50	12.38	7.88	669	.58	.57	1.8	12.5	.00	.0	.....	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas	O	2.00	.00	.0	2.38	2.00	2.38	2.00	0	.00	.09	-100.0	NE	.00	.0	.....	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs	M	19.50	- 2.25	- 10.3	22.00	19.00	23.75	4.09	2,142	4.91	4.57	7.4	54.2	.00	.0	.....	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld	N	36.50	- 1.25	- 3.3	38.25	35.88	41.13	28.25	6,300	1.77	1.46	21.2	12.1	.48	1.3	.....	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes	M	5.50	.50	10.0	5.50	4.75	6.00	3.25	2,954	4.70	3.37	39.5	15.7	.28	5.1	.....	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants	M	16.75	- 1.13	- 6.3	17.50	16.50	28.25	13.25	3,815	4.53	4.65	- 2.6	15.0	.12	.7	.....	9 mos.	07-85	93.9	39.3	3.1	14.8	.33	- 19.5	286.4	85.5	5.9	1.7	.67	- 23.0
Victoria Stations	M	2.00	- .38	- 15.8	2.44	2.00	4.38	2.00	292	.64	1.73	- 63.0	NE	.00	.0	.....	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl	N	15.38	.63	4.2	15.50	14.50	19.13	12.19	14,354	1.96	1.37	43.1	15.4	.21	1.4	.....	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer	M	11.50	.00	.0	13.00	11.50	14.00	9.00	18	.15	.54	- 72.2	14.2	.20	1.7	.....	6 mos.	08-85	11.8	14.6	.4	300.0	.27	285.7	23.2	17.2	.7	75.0	.54	63.6
Winners Cp	N	6.50	.00	.0	6.75	6.38	8.75	5.13	536	1.34	.96	39.6	NM	.00	.0	.....	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																														
Brock Hotel Cp	N	1.50	- .13	- 7.7	1.63	1.38	5.13	1.38	1,209	.86	.67	28.4	NE	.10	6.7	.....	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels	N	58.25	- .25	- .4	59.75	58.13	73.50	50.88	1,347	.54	.85	- 36.5	12.3	1.80	3.1	.....	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp	N	51.25	.38	.7	51.88	50.88	58.13	35.25	6,190	2.27	1.51	50.3	12.2	1.00	2.0	.....	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn	N	35.25	2.63	8.0	35.25	32.63	36.75	16.13	4,365	2.25	1.21	86.0	27.5	.09	.3		fiscal	06-85	126.9	474.2	7.7	67.4	.39	62.5	304.5	320.0	25.0	44.5	1.28	42.2
Ramada Inns	N	8.00	.25	3.2	8.00	7.13	9.50	5.13	5,193	1.40	3.42	- 59.1	57.1	.00	.0	.....	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	50.0
Servico Inc	M	19.25	.00	.0	20.25	19.00	21.38	13.44	17	.05	.34	- 85.3	9.6	.00a	.0	.....	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl	M	22.50	- .50	- 2.2	25.50	22.50	27.00	18.50	8	.05	.07	- 28.6	6.9	.40	1.8	.....	6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																														
Allegheny Bev	M	17.88	- .25	- 1.4	18.75	17.63	22.63	15.38	1,630	2.71	1.75	54.9	1.7	.40	2.2	.....	3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl	O	2.63	- .13	- 4.5	2.88	2.63	2.75	1.13	104	.44	.58	- 24.1	NE	.00	.0	.....	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut	N	8.25	.13	1.5	8.25	8.13	11.41	7.03	100	.20	.57	- 64.9	NM	.00a	.0	.....	fiscal	07-85	30.7	.7	(.4)	NE	(.08)	NE	117.8	.3	.0	- 100.0	.01	- 93.8
Disney, Walt	N	84.25	- 1.25	- 1.5	86.75	84.13	95.00	53.63	2,632	.80	1.59	- 49.7	47.6	1.20	1.4	.....	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills	N	60.63	2.88	5.0	61.00	57.75	64.00	47.75	11,050	2.49	1.12	122.3	37.2	2.24	3.7	.....	fiscal	05-85	984.6	- 27.7	(108.5)	- 100.0	.84	- 6.7	4285.2	- 23.5	(72.9)	- 100.0	1.63	- 67.3
Grace W R	N	39.75	- .75	- 1.9	40.88	39.00	45.00	38.50	3,810	.79	.83	- 4.8	11.5	2.80	7.0	.....	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart	A	7.38	- .38	- 4.8	8.00	7.38	12.00	7.38	367	.30	.89	- 66.3	NM	.00a	.0	.....	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp	N	29.88	.25	.8	30.25	29.50	34.25	24.13	531	.28	.98	- 71.4	17.2	1.80	6.0	.....	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc	N	59.38	.38	.6	60.50	58.75	60.50	39.88	10,553	1.12	1.42	- 21.1	10.7	1.78	3.0	.....	6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co	N	58.88	.63	1.1	61.50	56.13	63.50	38.13	10,580	2.44	1.31	86.3	13.3	1.72	2.9	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	1.09	9	4670.6	11.9	191.8	13.0	4.42	13.0
Restec	O	3.50	.00	.0	4.25	3.50	4.50	3.50	9	.05	.05	.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ	N	26.00	.25	1.0	26.75	25.63	35.00	25.50	16,417	.65	1.04	- 37.5	8.0	1.40	5.4	.....	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France	M	9.13	- .13	- 1.4	9.50	9.13	14.13	8.13	77	.07	.77	- 90.9	17.5	.23	2.5	.....	fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.